



## Pilot Guidelines for: **APPRENTICESHIP TRAINING**

**Effective: January 27, 2012**

Revision History: ~~X~~ 03/22/13: Deemed employers to meet out-of-state competition standards; clarified that the post-retention wage remains SET modified for construction, but without HUA; established a blended rate for pre-apprentice and journeyman training; clarified employer and trainee eligibility; exempted payment earned from Substantial or High Earner Contributions; clarified hours for OSHA 10; and specified that development fees must be proportionate to requested funding. ~~X~~ 03/23/12 Summary: Added an Apprenticeship Glossary link.

These guidelines establish an Apprenticeship Training Pilot Program for proposals presented after March 23, 2012. They replace all former guidelines or policies on this subject.

These are guidelines only. If a proposal raises the need for further modifications, it will be accomplished on a case-by-case basis with direction from Executive Staff. Unless modified by the following guidelines, all other program criteria apply.

This Apprenticeship Glossary is an addendum to the Apprenticeship Training Pilot Program guidelines issued effective March 23, 2012. See also the Panel Memo of that date.

### Contractor Eligibility

- Typically, apprenticeship training projects will be funded through a JATC, or a trade association with JATC membership. Typically, the JATC would also be the program sponsor.
- Employer eligibility for projects funded through a UAC or other non-union group of employers will be considered case-by-case. Typically, the UAC would also be the program sponsor.
- Effective FY 2012/13, all signatory employers (JATC) and groups of employers (UAC) are deemed to meet out-of-state competition, such that funding will be under Economic Development not Special Employment Training (SET).

- All funding will be through a MEC. If more than one JATC or other program sponsor participates, a single entity must be identified to hold the contract. Each sponsor must have a separate Job Number(s).
- The MEC contractor may apply for funding under this pilot in a subsequent Fiscal Year.
- Registration with DAS must be verified for the JATC or other program sponsor by the Application & Assessment (A&A) Unit during eligibility determination. The trust formation documents must also be reviewed by A&A Unit as an aspect of eligibility.

#### Trainee Eligibility:

- Trainees must have completed their probation period for RSI, or have advanced to Year 2+ in the apprenticeship program. An exception may be made for trainees who have completed pre-apprentice training, to be determined case-by-case. Trainees may be funded for RSI while still in their On-the-Job probation period.
- Typically, RSI is 144 hours per year and the probation period cannot exceed 72 hours, although this may vary by program sponsor. Typically, On-the-Job training is 3,000+ hours and probation cannot exceed 1,000. The minimum hours and probation periods may vary by program sponsor.
- The MEC may include pre-apprentice and journeyman training, in which case standard program criteria will apply. Pre-apprentice, apprentice and journeyman trainees must be separated by Job Number(s).
- Trainee eligibility will be based on retraining standards, not New Hire training.
- With a JATC all trainees must be represented, and apprentice occupations must be identified in accordance with the Collective Bargaining Agreement.

#### Trainee Enrollment:

- The MEC contractor may receive funding for an Apprenticeship Job Number in more than one fiscal year, by Phase II funding amendment or under separate contracts.
- In general, trainees cannot be enrolled twice (e.g., under two contracts or phases of funding). However, an apprenticeship “drop out” could enroll as a pre-apprentice and a graduate could enroll as a journeyman in a subsequent contract or phase.

#### Funding:

- Effective FY 2013/14, all pre-apprentice and journeyman training will be reimbursed at a “blended” rate of \$22. This rate blends the standard priority industry rate (\$18) with the Small Business priority rate (\$26).

- Funding will be capped for each apprenticeship Job Number, and for the MEC overall, as determined by the Panel each Fiscal Year.
- Apprenticeship training may stand alone, or be combined with pre-apprentice and journeyman training. Apprentice Job Number(s) must be developed using a rate sheet with a \$13 per-hour reimbursement rate. This rate shall apply to all industry sectors.
- Active contracts may be amended to add an apprentice Job Number (Phase II) so long as there is sufficient funding and time remaining in the term of the MEC.
- If the total proposal is <100,000 it may be reviewed and approved via Delegation Order as a Fast Track.

#### Substantial Contribution

- Payment earned under this Pilot will not be attributed to employers for purposes of assessing a Substantial Contribution, or a High-Earner Contribution. The employer earnings will still be reported but should be accounted for the same as Job Creation.

#### Support Costs

- Support costs will be available at the retraining rate, up to 8% of approved funding, with justification to show the need for marketing and recruitment.

#### Consultant Fees

- Third-party consultant fees for administrative services will be capped at the retraining percentage, up to 13% of payment earned.
- Third-party consultant fees for development must be expressed as a flat fee, and must be proportionate to the amount of ETP funding.

#### Curriculum:

- Courses that are not part of the DAS-approved curriculum for RSI may still be funded by ETP as “ancillary” training with justification from the JATC or other program sponsor. For example, RSI may be needed in new techniques or materials.
- Ancillary courses must be included within the 144-hour cap per-trainee, with the exception of OSHA 10. DAS-approved, ancillary and OSHA 10 courses should be identified separately on the Menu Curriculum, Exhibit B.
- Only OSHA 10 training may be funded for apprentices. Either OSHA 10 or OSHA 30 may be funded for journeymen.
- For apprentices, RSI funding will be capped at 144 hours. With OSHA 10 training, this cap extends to 154 hours. The retraining minimum of 24 hours will apply.

- For apprentices, simulated lab funding may be included as RSI or ancillary training, under the 144-hour cap.

#### Retention:

- For occupations in which it is not customary for a worker to be employed 90 consecutive days with a single employer, retention may be 500 hours within 272 days with multiple employers.

#### Post-Retention Wage:

- The post-retention wage for all trainees is the SET statewide wage (modified for priority industry) regardless of funding under Economic Development. For training through a JATC, the union wage will also be accepted. During development, the analyst should verify wages against the CBA.
- The High Unemployment Area (HUA) wage modification will not apply.

#### Trainer-to-Trainee Ratio

- The ratio established for RSI by an affiliate LEA (e.g., high school or community college district) will be accepted even if less than 1:20, but only if the LEA delivers the training.
- The ETP class/lab ratio of 1:20 will apply to RSI if training is delivered off-campus under an “excess funds” agreement with the LEA. The ETP ratio will apply to ancillary training. OSHA 10/30 ratios will follow the OSHA guidelines..

### Rosters

- Attendance records will be accepted as reported to an affiliate LEA, but only if the LEA is delivering the training.
- Standard ETP rosters will be required if the training is delivered off-campus under an “excess funds” agreement with the LEA.

### Amendments and Modifications

- Contract revisions will be made by Amendment only. The Modification process will not apply during the pilot phase of this program

### Audits

- Standard audit procedures will apply.

### Miscellaneous

- If not otherwise specified in these guidelines, regular ETP program standards apply.